UpState RailConnect Committee

Dedicated to Completion of the Alternative Rail Route Feasibility Study

Meeting Announcement

July 31, 2013 2:30 PM

Meeting held telephonically, as per Subsection 54953 (b) of the Government Code Via Teleconference

Teleconference locations
727 Oak Street, 2nd floor, Room 203 (Red Bank Room), Red Bluff, CA
531 K Street, Room 207, Eureka, CA
11 Court Street, Room 230, Weaverville, CA

AGENDA

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1.	TUILOG	uctions

- 2. Public Comment
- 3. Review of Agenda
- 4. Approval of minutes from June 26, 2013 meeting (action anticipated)
- 5. Discussion on Feasibility Study funding progress (action anticipated)
 - a. Public
 - b. Private
 - 1. Land Bridge Alliance update
- 6. Discussion on potential and scheduled presentations and events
- 7. Reports
- a. Staff
- b. Humboldt/Eureka representatives
- c. Trinity representatives
- d. Tehama Representatives
- e. UpState California Economic Development Council representatives
- f. Northern California Tribal Chairmen's Association representatives
- 8. Task Assignments/Items for Next Agenda
- 9. Next Meeting/Adjourn

For information regarding this meeting, please contact the *Upstate RailConnect Committee* at landbridgealliance@gmail.com

Or see

www.ci.eureka.ca.gov/depts/council/rail study.asp

UpState RailConnect Committee

Dedicated to Completion of the Alternative Rail Route Feasibility Study

June 26, 2013 Minutes (Subject to Approval)

Wharfinger Building, 1 Marina Way, Eureka, CA

1. Introductions

Committee Members Present: City of Eureka Councilmember Lance Madsen and Councilmember Mike Newman; Tehama County Supervisor Steve Chamblin and CAO Bill Goodwin; Trinity County Supervisor John Fenley and CAO Wendy Tyler; Upstate California Economic Development Council General Manager Alison O'Sullivan; Northern California Tribal Chairmen's Association representative Nick Angeloff; Humboldt County Supervisor Rex Bohn and Representative David Tyson.

Committee Members Absent: County of Trinity Supervisor Debra Chapman; Upstate California Economic Development Council Board President Brynda Stranix.

Staff: David Hull

Public: John Murray; Hank Sims; Judy Harrison; Richard Marks, Mike Wilson; Maggie Herbelin; Phillip Smith-Hanes; Marian Brady; Jen Kalt; Kent Sawatzky; Marian Brady; Tim Petrusha; Larry Glass; Monte Provolt; Debbie Provolt; Dick Reese.

2. Public Comment

John Murray, Former CAO and Engineer for the County of Humboldt stated that the Upstate RailConnect Committee is way out in front of itself. He stated that he has done his own study and based upon his brother's analysis, an East-West rail is not viable.

Monte Provolt of the East-West Rail Advocates stated that there are groups in Humboldt County that are for the rail feasibility study and those that are against it. He stated that those that are against it quote numbers from unfinished studies. Figures can be manipulated and what he is looking for is a good, open-eyed feasibility study.

Kent Sawatzky noted that he felt it was appropriate to either use public or private funding to pay for the Alternative Rail Route Feasibility Study.

Sid Berg, Secretary/Treasurer of the Building Trades Council welcomed the UpState RailConnect Committee to Eureka. He stated that he has heard a lot of talk about public funding and that he thinks public funding allows for a more credible study. He also wanted to put into perspective that John Murray has been working on railbanking existing rail lines and on trails within the rail corridor.

Mike Wilson, President of the Board of Commissioners of the Humboldt Bay Harbor, Recreation and Conservation District stated that a draft rail report was recently received by the Harbor District but noted that it had not been reviewed by the Harbor District Board yet.

3. Review of Agenda

Motion by Fenley, Seconded by Newman to approve the June 26, 2013 agenda. Motion carried unanimously.

4. Approval of minutes from May 15, 2013 meeting

Tyson moved for approval of the May 15, 2013 minutes; Seconded by Goodwin. Motion passed with member Newman abstaining because he was not present at the May 15, 2013 meeting.

5. Discussion on Potential Funding Sources

- **a.** <u>Public Sources</u>: David Hull described the list and progress made on exploring public sources of feasibility study funding as follows:
 - CalTrans Transportation Planning Grants David Hull reported that he submitted a 2013/14 CalTrans Community Based Transportation Planning grant application prior to the April 2, 2013 deadline. Per UpState RailConnect Committee's request, the City of Eureka is the grant Applicant with the Upstate California Economic Development Council as Sub-Applicant thereby representing the entire potential rail corridor. It was reported that CalTrans staff indicated a decision on the grant would be made in August 2013 with funding to be available in February 2014.

b. Private Sources:

 Land Bridge Alliance Update: David Tyson, Chair of the Land Bridge Alliance (LBA), noted that LBA members have been busy with many educational presentations. During the past month LBA officials met with businesses, government agencies and individuals throughout Tehama County. The meetings were deemed very successful with overwhelming support from the attendees. LBA also has worked to garner private interest in funding the feasibility study.

6. Discussion on Potential and Scheduled Presentations and Events

David Hull noted that after today's UpState RailConnect Committee meeting, Bob Martin, Tehama County representative of the Land Bridge Alliance, will be making a presentation at the Humboldt Bay Harbor Working Group luncheon. Mr. Martin will discuss the economics of the Sacramento Valley and potential rail shipping opportunities. Following the luncheon, the Land Bridge Alliance has scheduled a harbor tour aboard the historic *Madaket*. David Tyson noted that LBA representatives also have several Rotary presentations scheduled in the upcoming weeks.

Supervisor Fenley noted that he is still working with the citizens of Southern Trinity county to arrange for a presentation.

Nick Angeloff reported that he is continuing to provide the Rolling Hills tribe with information related to the feasibility study.

Bill Goodwin thanked the LBA group that came to Tehama County to make presentations because it has really made a positive difference.

Alison O'Sullivan stated that her group presently represents a 14 county area and that she is working to schedule presentations with many of those that have not heard a presentation.

7. Discussion on the Draft Scope of Work

David Hull noted that the only change to the proposed scope of work was the addition of "potential funding sources". No additional changes to the Scope of Work were made. The draft Scope of Work now stands as follows:

- Identification of a proposed route and alternatives
- Identification of land ownerships
- Assessment of economic benefit of a connection to the national rail system
 - Assessment of market potential
 - Assessment of community and socioeconomic benefits along the proposed route
 - Assessment of impact to ports
- A conceptual development plan that will include:
 - Ownership/governance of the rail line
 - Prelim engineering
 - Highway/port connectors/potential stops/spurs along the route
 - Outline of national security issues
 - Additional uses of the corridor (fiber optic, trail, water, passenger, etc)
 - Estimated permitting needs
 - Estimated environmental issues and mitigations
 - Estimated development costs, timelines and potential funding sources

Mike Wilson noted that it was laudable to include everything in the scope, but that he suggested that the Committee rank parts of the study so that a variety of funding sources may be used. He also suggested that the scope include a review of work already done and that the Harbor District's rail study provides answers on the physics of trains.

John Murray noted a typo in the proposed scope and expressed his concern over the Forest Service.

Monte Provolt stated that historically a lot of work has been done on various east-west routes of 2% or less grade and that information should be considered in the Alternative Rail Route Feasibility Study.

Jennifer Kalt had questions regarding the openness of the RailConnect Committee meetings and their transparency. She also noted that she had difficulty finding information regarding the activities of the Committee. Bill Goodwin stated that the Committee has worked hard to be transparent by posting agendas at various member offices and putting information on the City of Eureka's website. It was noted that the City of Eureka has hosted information regarding the UpState RailConnect Committee for several months and the information can be accessed from a button on their homepage (www.ci.eureka.ca.gov) called the Alternative Rail Route Study. The committee agreed to have the web link placed on all agendas to assist those in keeping up with Committee activities.

8. Technical Advisory Committee Discussion

This item was suggested at the June 26, 2013 meeting. David Hull recounted the UpState RailConnect Committee history on this subject goes back to the Committee's organizational meeting of November 14, 2012. At that meeting, the Committee outlined methods to handle requests for additional committee members that included:

- 1. The other agencies feeding input through a member agency
- 2. Entering input through public comment
- 3. Feeding input to the Committee through the Land Bridge Alliance.

For technical support, the Committee decided in November 2012, that other agencies could function as a "Technical Advisory Committee". Others were envisioned to be technical advisors on an as-needed basis.

After some discussion, Chair Madsen suggested that technical needs of the Committee be handled on an as-needed basis. Mike Newman and Bill Goodwin agreed stating that they did

not see an immediate need for a standing Technical Advisory Committee. No Committee member dissented from this approach.

Richard Marks stated that he was shocked by the decision and was prepared to be seated as a member of the committee. He thought he had more to offer than to be available on an asneeded basis.

Mike Wilson suggested Jack Crider, CEO of the Harbor District, has experience in short line rail and that the UpState RailConnect Committee could take advantage of that and offered some Harbor District funding to help coordinate with the Harbor Districts rail study.

Kent Sawatzky thought it was fantastic if the Harbor District has funds to help coordinate as he thought he had heard otherwise. He stated that he thought technical support on an asneeded basis was appropriate.

9. Private Funding Process Discussion

It was explained that this agenda item originated at the UpState RailConnect Committee meeting of May 15, 2013 where Committee members expressed a desire to discuss in more detail what the mechanism(s) might be to accept and handle potential private funding of all or part of the Alternative Rail Route Feasibility Study. At the January meeting of the UpState RailConnect Committee, a flow chart was presented as an overall outline of how private donations might be handled. The flow chart provided an overview but did not provide specific details of the use of private funds. The general narrative that has been applied to the use of private funding has been described as having three general alternatives, namely:

- 1. Private funders do all or part of the feasibility study on their own with no involvement from the UpState RailConnect Committee
- Private funders essentially "donate" their money to the Land Bridge Alliance to be used in the public UpState RailConnect Committee process with no strings
- A hybrid of the above two options.

While the first two options are straightforward, the "hybrid" is where questions have been raised and where the Upstate RailConnect Committee needs to provide direction.

As has also been discussed at previous meetings, the Land Bridge Alliance has been active in soliciting private donations with some success and has generated even more significant funding leads. Before these leads are pursued much further, it is important for the UpState RailConnect Committee to have a discussion and agree on how private funds can be applied to the Alternative Rail Route Feasibility Study.

With that as a background, David Hull led the Committee through three funding scenarios in an attempt to define the Committee's approach to private funding of the Alternative Rail Route Feasibility study.

Scenario 1

A private investor desires to fund all or part of the Alternative Rail Route Study. The private investor wants to keep their information proprietary and has little or no interaction with the UpState RailConnect Committee.

1. What is the UpState RailConnect Committee's reaction and role in this scenario?

Bill Goodwin noted that the Committee may not even know if a private study was going on, so there be no interaction. Rex Bohn stated that the private sector has a long history of doing projects on their own in the Humboldt Bay area. David Tyson followed stating that if the private sector wants to go on their own and not use the Committee process, then the Committee's role is really that of a cheerleader. Mike Newman suggested that if the private sector wants to use the Committee process, then the Committee should consider developing conditions regarding the use of the information. Nick Angeloff agreed that the private investor is free to pursue the study as they see fit, but noted that once they are in the public process, the Committee role is to assist in facilitating that process.

Monte Provolt stated that studies will not build the rail, but will take political will and that is the role of the UpState RailConnect Committee.

Dick Reese stated that any private investor will look to the public to pay for a railroad and suggested the Committee should ask many questions as to what is their approach and if they are hiding anything.

Chair Madsen summarized the Committee response to Scenario 1 that the UpState RailConnect Committee will encourage and embrace private investors that want to do a private study. There was no dessention from the members that this was the Committee's role.

Scenario 2

A private investor wants to donate funds to Land Bridge Alliance to pay for the Alternative Rail Route Feasibility Study or certain components with no strings attached. The information generated is public and the consultant selection and study oversight is intended to be provided by the multi-agency UpState RailConnect Committee.

- 1. What is UpState RailConnect Committees reaction and role in this scenario?
- 2. If Land Bridge Alliance accepts the funds, what is the instrument that binds the land Bridge Alliance to the UpState RailConnect Committee to guarantee the Committee's role in the study?

Bill Goodwin noted that this scenario that was originally envisioned by the Committee. He said that this scenario would have the most credibility in a perfect world. Mike Newman Stated that the Committee would want the Land Bridge Alliance to be as transparent as possible. Alison O'Sullivan stated that this is what the Land Bridge Alliance was formed to do.

Mike Wilson stated that he feels there is a perceived lack of transparency with the Land Bridge Alliance.

Scenario 3

A private investor wants to fund a part of the Alternative Rail Route Feasibility Study and wants to keep that part of the information proprietary.

- 1. What is UpState RailConnect Committees reaction and role in this scenario?
- 2. What, if any, requirements would the UpState RailConnect Committee ask the private investor to agree too?

Bill Goodwin stated that the route information should be as transparent as possible and that if the private sector was shipping widgets then that information was okay to keep proprietary. Mike Newman agreed stating that private marketing information could be proprietary. Wendy Tyler stated that she thought everything but the market potential should be public. Rex Bohn stated that we don't have the economic luxury of shutting the door on anything before it is vetted.

David Tyson stated that from the beginning of the Committee there has been a lot of discussion on transparency. If a developer wants to use the Committee process, then they will need to be open and transparent, otherwise they are free to do their own study.

Monte Provolt said that there are two sides to this – those that don't want the study and those that do. He suggested that having the study be as public as possible should help alleviate the fears of those that have concerns.

Kent Sawatzky noted that he is a private investor and that if a private investor invests in a project then the Committee should welcome the developers and respect their propriety. If the investors have to go the all-transparent route then investors may go around the Committee process which would not be good.

Bill Goodwin suggested that transparency could be limited to the main line and not spurs.

Les Behall of Humboldt Baykeepers asked about what kind of incentives the public offer investors.

Mike Wilson stated that no matter what infrastructure that will go through public lands and will ask a lot from the public and transparency is important all the way through the process.

10. Reports:

- a. Staff: Nothing more to report
- b. **Humboldt/Eureka:** Humboldt County Supervisor Bohn thanked the UpState RailConnect Committee for coming to Humboldt County for the meeting and hoped that they enjoyed the rainy weather.
- c. **Trinity:** Nothing more to report
- d. **Tehama:** Nothing more to report
- e. Upstate California Economic Development Council: Nothing more to report
- f. Northern California Tribal Chairmen's Association: Nothing more to report
- 11. **Task Assignments/Items for the Next Agenda:** The Committee agreed the following items should be discussed at the next meeting:
 - a. Add Eureka website address for the Alternative Rail Route Feasibility Study information to future agendas
- 12. **Next Meeting:** It was decided that the next meeting will be held in Trinity County on August 21, 2013. It was also decided that a telephonic "touch-base" meeting should be heard toward the end of July.

3. Meeting adjourne	d: 12:02 PM		
Approved:			
Lance Madsen, Chair			

UpState RailConnect Committee Dedicated to Completion of the Alternative Rail Route Feasibility Study

SUMMER NEWSLETTER 2013

July 2013

Dear Supporter,

Thank you for your continued support of the Alternative Rail Route Feasibility Study. Since our last newsletter in December 2012, a lot of progress has been made toward the initiation of that study to explore the feasibility of an east-west rail line connecting the deepwater harbor at Humboldt Bay to the national rail system in the Sacramento Valley. This newsletter presents an update on the progress made over the past six months and how this effort continues to need your support.

Support: Just to refresh your memory, a grass-roots citizen-led effort in December 2011 brought the concept of a new east-west rail route into the spotlight. On January 17, 2012, the City of Eureka took action to lead an effort to inform other governmental agencies and organizations of the concept. In less than 10 months, the City of Eureka received support from 33 government agencies, labor, business, education, law enforcement and citizen groups representing a vast portion of Northern California including some statewide and national organizations. Since the last newsletter, nine more organizations have joined in support of this study for a current total of 42. The list of supporters now includes:

- City of Eureka, CA
- City of Fortuna, CA
- City of Rio Dell, CA
- · County of Humboldt, CA
- County of Trinity, CA
- · County of Tehama, CA
- Upstate California Economic Development Council
- Northern California Tribal Chairman's Association
- Wiyot Tribe
- Corning CA Chamber of Commerce
- California Marine and Intermodal Transportation System Advisory Council
- California Association for Local Economic Development
- Humboldt Association of Realtors
- Humboldt State University
- Humboldt County Office of Education
- The Greater Eureka Chamber of Commerce
- Oroville Chamber of Commerce
- Humboldt Bay Harbor, Recreation and Conservation District
- The Humboldt County Sheriff's Office
- Shasta-Trinity National Forest
- Six Rivers National Forest
- Union Pacific Railroad
- Northwestern Pacific Railroad Company

- Building and Construction Trades Council of Humboldt and Del Norte Counties
- State Building and Construction Trades Council of California
- Longshore and Warehouse Union, Local 14
- Operating Engineers Local 3
- Bricklayers and Allied Craftworkers Local No. 3, California
- Building and Construction Trades
 Department of the American
 Federation of Labor Congress of
 Industrial Organizations
- Central Labor Council, AFL-CIO of Humboldt and Del Norte Counties
- Eureka Police Officer's Association
- Humboldt Deputy Sheriff's Organization
- East-West Rail Advocates
- Land Bridge Alliance
- Military Officers Association of America
- Rail and Port Infrastructure Task Force
- Humboldt Bay Harbor Working Group
- Sierra Pacific Industries
- Green Diamond Resource Company
- California Redwood Company
- Humboldt Cattlemen's Association
- Humboldt Redwood Company

Project Organization: General oversight of the Alternative Rail Route feasibility Study process is under the multi-agency *UpState RailConnect Committee*. The *UpState RailConnect Committee* (URCC) was created to formalize this now regional effort to study the feasibility of an East West Rail Route through a Memorandum of Agreement (MOA) between the County stakeholders (Humboldt, Trinity, and Tehama); the City of Eureka; the Upstate California Economic Development Council and the Northern California Tribal Chairmen's Association. The general purpose of the URCC is to coordinate the production of the Alternative Rail Route Feasibility Study. Specifically, the URCC gathers public input; conducts public outreach efforts in each member agencies region; reviews documents such as Request for Qualifications, consultant submittals, draft and final reports; participates in consultant selection; provides consultant oversight; assists with grant writing and local technical in-kind efforts; and other tasks as mutually agreed upon by the members. There is no financial obligation for being a member of the URCC.

The URCC was officially formed on October 16, 2012 and met for the first time on November 14, 2012 and meets roughly monthly. To follow URCC progress, agendas, minutes and other URCC information can be found on the City of Eureka's website www.ci.eureka.ca.gov - look for the "Alternative Rail Route Study" button on the homepage.

UpState RailConnect Committee Members include:

City of Eureka

Councilmember Lance Madsen; Councilmember Mike Newman; Alternate - Councilmember Marian Brady

County of Humboldt

Supervisor Rex Bohn; David Tyson; County Staff CAO Phillip Smith-Hanes

County of Trinity

Supervisor Debra Chapman; Supervisor John Fenley; County Staff CAO Wendy Tyler County of Tehama

Supervisor Steve Chamblin; CAO Bill Goodwin

Upstate California Economic Development Council
Board President Brynda Stranix; General Manager Alison O'Sullivan

Northern California Tribal Chairmen's Association Garth Sundberg, Chair NCTCA; Nick Angeloff

UpState RailConnect Committee Chair: Eureka Councilmember Lance Madsen **Upstate RailConnect Committee Vice-Chair:** Humboldt County Supervisor Rex Bohn

What will be included in the Feasibility Study? Since December 2012, the *UpState RailConnect Committee* has had a standing agenda item to discuss any proposed changes to the feasibility study scope of work. Additions to the scope of work have come mainly from public input through URCC members and from audiences at numerous presentations. To date, the proposed scope of work for the Feasibility Study includes:

- a) Identification of a proposed route and alternatives
- b) Identification of land ownerships
- c) Assessment of market potential

- d) A conceptual development plan that will include:
 - (1) Ownership/governance of the rail line
 - (2) Prelim engineering
 - (3) Highway/port connectors
 - (4) Additional uses of the corridor (fiber optic, trail, passenger, water, etc)
 - (5) Estimated permitting needs
 - (6) Estimated environmental issues and mitigations
 - (7) Estimated development costs and timelines

Funding Progress: The Alternative Rail Route Feasibility Study as outlined above is estimated to cost approximately \$300,000. Since December 2012, two important steps have been taken to meet that funding goal.

First, the Land Bridge Alliance (LBA) is a California non-profit organization and was formed to promote a new rail link bridging the isolated coastal communities with those of the Sacramento Valley in Northern California. The Land Bridge Alliance was formed through a perceived need by the members of the East-West Rail Advocates to have an organization that could accept private funding for use in funding the Alternative Rail Route Feasibility Study and to provide educational outreach for the concept of an east-west rail line. LBA was officially formed in October 2012 and since December 2012, LBA members have made more than 25 Presentations to various Service Clubs, businesses, government agencies, potential investors and donors. This educational outreach effort has taken place throughout Humboldt, Trinity and Tehama Counties and has members in both Humboldt and Tehama counties. In March 2013, LBA members hosted an informational booth at the Northern California Logging Conference where more than 170 people signed a form in support of the Alternative Rail Route Feasibility Study. Since December 2012, LBA has also raised more than \$20,000 for production of educational and presentation materials. For more information on the Land Bridge Alliance or to donate, please see www.landbridgealliance.org.

Secondly, since December 2012, the *UpState RailConnect Committee* has researched a wide variety of potential sources to fund the Alternative Rail Route Feasibility Study. This effort has included research of potential local, state of California and federal government funding sources. In March 2013, as a member of the *UpState RailConnect Committee*, the City of Eureka applied for a \$295,000 Community Based Transportation Planning grant through the California Department of Transportation. Another *UpState RailConnect Committee* member, the Upstate California Economic Development Council, agreed to be the sub-applicant for that grant application. CalTrans sources have indicated that grant applicants will be notified in August 2013 if chosen. If awarded, funding will be available for the feasibility study in February 2014.

Both Land Bridge Alliance and *UpState RailConnect Committee* will continue to conduct funding research throughout the remainder of 2013.

Other support: Throughout the first six months of 2013, in addition to the multi-agency *UpState RailConnect Committee*, other groups have made notable progress laying the groundwork for the Alternative Rail Route Feasibility study by participating in meetings, making presentations, writing letters to the editor and assisting to craft local public policy that is favorable toward the establishment of an active rail connection between Humboldt Bay's deep water harbor and the national rail system. The Humboldt Bay Harbor, Recreation and Conservation District has

recently completed a draft study entitled the "Humboldt Bay Rail Concept level Construction Cost and Revenue Analysis". The information in this report will be used as a part of the Alternative Rail Route Feasibility Study literature review. Two other groups that have been involved over the past six months include the East-West Rail Advocates and the Humboldt Bay Harbor Working Group. The roles of these various groups are summarized as follows:

East-West Rail Advocates (EWRA): This is the formal name of the grass-roots group that asked the Eureka City Council to support the concept of an east-west rail feasibility study and have been meeting nearly weekly ever since January 2012. Their continuing role is to coordinate the educational needs for the promotion of the feasibility study. The group has defined itself as "a working group dedicated to the completion of the Alternative Rail Route Feasibility Study". The EWRA also functioned as the "East-West Rail Action Team" as part of Humboldt County's Prosperity 2012 process.

Humboldt Bay Harbor Working Group (HBHWG): Formed in November of 2011, the Humboldt Bay Harbor Working Group began as a group dedicated to exploring local job opportunities. From the very beginning the focus of the group was JOBS. It was discovered that there is a huge potential for job creation in Humboldt Bay's harbor that was not being tapped with one of the main reasons being the lack of an active rail connection from Humboldt Bay's harbor to the national rail system. The goal of the HBHWG is "*To reach community agreement on projects to revitalize the harbor that provide jobs and maintains the integrity of the environment*".

Since November 2011, the HBHWG has conducted a great deal of research and participated in Humboldt County's Prosperity 2012 process as the "Revitalize the Harbor Action Team". In order to revitalize the harbor portion of Humboldt Bay, the HBHWG proposed two priority recommendations. Since December 2012, both of the recommendations have been accomplished. Priority Recommendation 1 was to sponsor community forums to inform the public about the harbor and generate conversations on economic development. Since February 2013, the HBHWG has sponsored luncheons at the world famous Samoa Cookhouse in Samoa, California located along one of Humboldt Bay's deep water shipping channels. Each month a luncheon speaker presents information on various economic and business interests in Humboldt Bay's harbor area. To date, luncheon topics have included a primer on the HBHWG process and goals; the Alternative Rail Route Feasibility Study; the Humboldt Bay Offshore Reef Project; Current Projects from the Humboldt Bay Harbor, Recreation and Conservation District; and the Land Bridge Alliance Tehama County Support and Sacramento Valley Rail Opportunities. The HBHWG Harbor Luncheon Forums are the last Wednesday of each month at noon at the Samoa Cookhouse, Samoa, CA.

Priority Recommendation 2 was to seek adoption of a resolution from each local agency with land use authority over the harbor portion of Humboldt Bay affirming their commitment to create jobs and sustainable growth through Humboldt Bay's harbor. These agencies include the City of Eureka, County of Humboldt, Wiyot Tribe and the Humboldt Bay Harbor, Recreation and Conservation District. The resolution contains six action initiatives that recommend cooperation and coordination amongst these four agencies with respect to supporting and promoting many forms of maritime commerce; supporting enhancements to other transportation modes such as highway improvements and rail service connecting to the national rail system; completing a one-year planning process for a 12 year "2025 Harbor Action Initiative"; developing within one-year a

coordinated marketing plan; obtaining financing for infrastructure projects and equipment; and working with existing maritime industries to avoid, minimize or mitigate environmental impacts and assist in environmental compliance. This effort is important to the Alternative Rail Route Feasibility Study as it demonstrates the political will amongst harbor agencies to utilize the harbor for commercial purposes; an essential component in measuring the success of an alternative rail route.

As of June 2013, all four of these agencies had adopted resolutions affirming their commitment to create jobs and sustainable growth through Humboldt Bay's harbor. During the balance of 2013, the HBHWG will provide coordination for this harbor agency action team and assist in the facilitation of the harbor Initiative process. For more information on the HBHWG, please see www.humboldtworkingport.org.

I hope that the above summary has given you an informative update on the progress to initiate the "Alternative Rail Route Feasibility Study". Although there are many opinions out there as to the "best" route, what will be shipped, who will use such a line and what it will cost, as Chair of the *UpState RailConnect Committee*, I want to assure you that <u>nothing</u> has been decided and that all of those questions and more are to be explored by the feasibility study itself.

On behalf of the *UpState RailConnect Committee*, I want to thank you again for your continued support of the Alternative Rail Route Feasibility Study. As you can see from the information in this letter, a great deal of progress has been made in the first half of 2013. With your support and broad Northern California agency, business, labor, education and law enforcement participation, we look forward to continuing our pace throughout the remainder of 2013. If you need any additional information regarding the Alternative Rail Route Feasibility Study or its process, or would like us to meet with you or make a presentation to your organization, please let me know.

Sincerely,

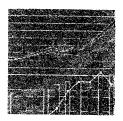
Lance Madsen, Chair

UpState RailConnect Committee

Council Member, Eureka City Council 531 K Street Eureka, CA 95501

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C: UpState RailConnect Committee



Humboldt Bay Rail Concept Level Construction Cost and Revenue Analysis DRAFT

PREPARED FOR

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July 17, 2013

